

Assistance for Trade Reform

Fifth Semi-Annual Progress Report

March 12 – October 31, 2004



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SUBMITTED TO

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and USAID

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UNDER CONTRACT NO.

PCE-I-00-98-00016-00
Task Order 827

24 January 2005

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INTRODUCTION

This fifth semi-annual report on the activities of the Assistance for Trade Reform (ATR) project covers the period from March 12 to October 31, 2004. During this period, the Government of Egypt and USAID agreed to continue the ATR project through July 12, 2006, the end of the original option period for the project. In response, the staff of ATR and the project's Steering Committee developed a new two year plan which was adopted at the beginning of July. This plan reflected a number of changes in approach that developed during the stock-taking that was part of the project's mid-term evaluation. The plan puts a greater focus on implementing managerial and operational changes in the Ministry and improving the implementation of our training programs. Moreover, it focuses on specific substantive changes in policy or facilitation to promote trade. At an operational level, the project has changed the way in which its efforts are managed, with less focus on activity by task and more focus on activity by organization. One result of this change in operational approach is that this semi-annual report is organized by Sector rather than task, except for the area of training, which is given its own section.

Looking at our accomplishments over the reporting period, much of our work focused on institutional development, planning, and training. While providing continued mentoring on WTO issues and training on a variety of trade policy topics, our work with FTPS and the Trade Agreements Sector during the reporting period focused heavily on institutional development. Thus we supported the establishment of the administrative institutions that are necessary to support the work of the Sector. ATR's work with GOEIC focused on finalizing the accreditation of the Dekheila labs, completing the physical infrastructure for the Trade Services Center, providing further training for the staff of the Dekheila Training Center and beginning the process of accrediting the methods used in the USAID-sponsored Meat and Poultry lab in Dekheila. ATR's efforts with ECS remained limited for much of the reporting period as the project and the Sector continued to refine the work plan. However, initial steps were taken to expand and institutionalize the HR and IT functions at ECS during the reporting period and our activity with ECS has accelerated since October.

The most significant external event affecting the project this year was the change in cabinet at the beginning of July. With the appointment of H.E. Rachid Mohamed Rachid as the new Minister of Foreign Trade and Industry ATR became more involved in policy and planning at the Ministerial level, particularly the development of the work plan for the Ministry and providing support on a number of specific policy issues. While supporting the

Minister's team in their efforts, we supported the Sectors that we work with as they participated in the work plan process.

RESIDENT EXPATRIATE STAFFING

During this reporting period there were significant changes in the resident expatriate staffing of the ATR project. Dr. Chris Rodrigo, our macroeconomist, and Mr. Nadir Satti, our IT specialist, were both on short-term contracts that expired in mid-March due to the expiration of the base period. Upon the expiration of their contracts, both decided to return to the United States. Mr. Rasik Joshi, our institutional development specialist, also left in May after the completion of his initial contract and the design phase of our institutional development program.

Recruitment of replacements for the macroeconomist and IT positions began immediately with candidates identified in April and May. Short-term assignments were used to screen some candidates and ultimately, Mr. Alvaro Garcia began work as the project's IT specialist in October and Mr. Thomas Hutcheson began work as our macroeconomist in November. The position left vacant by Mr. Joshi's departure remains unfilled pending further discussions with the new Ministry staff on how best to support the Ministry at this time.

SHORT-TERM CONSULTANCIES

During the period from March 12 to October 31, 2004, the resident staff of ATR was assisted by 16 short-term consultants for a total of 452 days. Of that amount, 357 days were provided by foreign consultants, while 95 days were provided by Egyptian consultants.

Use of Short-term Expatriate Technical Assistance March 12, 2004 – October 31, 2004

	Task	Date	LOE
Paul Moore	Training in Analysis of Bilateral Agreements	Mar-Apr	33
Thomas Friedheim*	Training in Agriculture Issues Within the WTO	Mar	0
Vilaysoun Loungnarath*	Training in dispute settlement	Mar	0
Lisa Yarmoshuk	Trade Remedies Training and Legal Office Design	Apr	25
Steve Magiera	Analysis of the zero-for-zero proposal for autos	Apr-May	43
Soliman Shenouda	Development of ATR's work plan with GOEIC	Apr-May	27
Hossein Naficy	Training plan and evaluation design	Apr-Jun	45
Hilton Settle	Establishment of business units for GOEIC	May	25
John Beyer	Management Visit and Steering Committee Retreat	May	8
Alvaro Garcia	IT enterprise architecture design	Jun	23
Akrum Bastawi	Export promotion recommendations	Jun-Jul	20
Alvaro Garcia	TAS IT department structure	Aug-Sep	18
John Landos	SPS Assessment and risk analysis (Part 1)	Aug-Sep	26

Use of Short-term Expatriate Technical Assistance (cont'd)
March 12, 2004 – October 31, 2004

	Task	Date	LOE
Lisa Yarmoshuk	Legal Training	Aug-Oct	36
Victoria Waite	Training for bilateral agreements	Aug-Oct	28
	Total:		357

* ATR paid only for travel expenses of these WTO staff members who provided training

Use of Short-term Local Technical Assistance
March 12, 2004 – October 31, 2004

Name	Task	Date	LOE
Hanan Tarek El-Hossieny	Temporary Secretary	Mar-Apr	15
Mohamed Ramadan	Temporary Driver	Mar-Apr	15
Ahmed Ali Attar	Training Specialist (DTC)	Mar-Apr	20
Gihan Aman Allah Ali Elanany	Research Assistance on the GOEIC survey	Apr-Aug	45
	Total:		95

These consultancies resulted in the following reports:

- “CD/BMA Functions, Training and Development” by Paul Moore.
- “Trade Policy Options for the Egyptian Automotive Sector” by Steve Magiera
- “Support for the Enhancement of ATR’s Training Program” by Hossein Naficy
- “The Potential for Charging Fees for Services Provided by the General Organization for Export and Import Control (GOEIC)” by Hilton Settle
- “Initial Analysis of the New Network for the New Building of the Ministry of Foreign Trade” by Alvaro Garcia
- “Proposed Enterprise Architecture Framework and Strategy for the Ministry of Foreign Trade” by Alvaro Garcia
- “Proposed Organization for the IT Department of the Trade Agreements Sector and the Foreign Trade Policies Sector” by Alvaro Garcia
- “Summary Report on Export Constraints and Ways and Means of Enhancing Exports through the use of the Egyptian Center for Export Development (ECED)” by Akrum Bastawi

In addition trip reports were filed by Soliman Shenouda, Victoria Waite and Lisa Yarmoshuk.

While technically not included as short-term level of effort, the project also hired technical support from both the Arab Academy and LADIS during this period. The Arab Academy, in addition to its role in providing training, assisted with the drafting of a legal framework for the Egyptian Center for Export Development. LADIS has provided assistance on a range of IT tasks.

LOCAL STAFFING

During this period, there were a number of changes in local staffing:

- Dr. Ahmed Aly was hired as our local institutional development specialist, substituting for our expatriate institutional development specialist;
- Mr. Samir Hammad was hired to support our activities with GOEIC;
- Mr. Anwar Abdel Wahab replaced Mohamed Shazly as our Office Manager;
- Mr. Hesham Wasfi and Mr. Maged Farid Fahmy replaced Amr Hegazy as our local IT specialists;
- Mr. Mahmoud Wegeh replaced Mr. Farrag Ahmed Abd El Aal as one of our drivers;
- Ms. Azza Abdelwahab, who had been one of our secretaries, became our second training manager; and
- Ms. Wegdan El Defrawi and Ms. Nanice Taha, who were hired on a temporary basis during the last reporting period are now permanent employees.

CONFERENCES

During this reporting period, ATR supported six conferences/workshops and a steering committee retreat:

- Three WTO-awareness workshops were held with the Federation of Egyptian Industries.
- Two food safety/inspection seminars were held in cooperation with the USDA and GOEIC.
- A regional WTO Trade and Development Seminar.
- A steering committee retreat in Alexandria, May 20-22, 2004.

Trade Agreements Sector

The focus of ATR's assistance to the Trade Agreements Sector in the past six months, in accordance with the ATR Annual Work Plan, was on conducting a WTO Central Department (CD/WTO) productivity analysis, beginning to establish administrative and management systems at TAS, and launching work on the TAS website. Other activities included holding three public awareness events with the Federation of Egyptian Industries, developing and beginning to implement a strategy to develop capacity of TAS's trade lawyers, conducting on-the-job training for the Bilateral and Multilateral Agreements Central Department (CD/BMA) staff, conducting subsidies training for International Trade Policies Central Department (CD/ITP) staff, and helping CD/WTO understand issues involved in the July Package (part of the Doha negotiations).

CD/WTO PRODUCTIVITY ANALYSIS

The basis of the TAS work plan, as developed in May 2004, was a CD/WTO productivity analysis which found that *"Though the vast majority of staff are able to do the work they are assigned, absence of a work plan, a lack of initiative and critical thinking, a lack of strong training systems for new staff, a difficult work environment, a lack of an effective performance evaluation system, and several administrative bottlenecks significantly affect their productivity."* The report recommended that *"appropriate administrative and managerial systems, often at the Sector level, be put in place immediately to encourage 'work planning' and excellent output, differentiate between good and poor performers, cut time spent in non-productive activities, encourage department and sub-department planning and monitoring meetings, and implement training methods for new staff..."*

The report further outlined immediate next steps to be taken to improve productivity. The first steps at the Sector level were to appoint a head of the General Department for Administration and Management and to improve administrative procedures (e.g. correspondence, filing, travel, training, payroll, etc.), while at the CD/WTO level, a new structure should be put in place, along with an annual work plan system, job descriptions, a performance evaluation system, training for new staff, and regular staff meetings to share the latest on WTO negotiations and monitor progress on work plan implementation. While TAS began the implementation of its new administrative structure during the reporting period, the changes in the CD/WTO did not begin until near the end of the year.

TAS WORK PLAN AND TRAINING PLAN 2004-2006

The TAS work plan is very ambitious and is organized around work with TAS administration, European Partnership Agreement Unit, CD/WTO, CD/BMA, and CD/ITP. It gives priority to work with TAS administration as it is the foundation for the rest of the work

and the key to future sustainability. The TAS training plan is similarly ambitious, especially with a relatively substantial portion of key TAS staff in long-term training (e.g. MBA, AAC/MAC, or English language training). Nevertheless, training is balanced in terms of language, managerial, analytical, computer, and technical skills courses. Offshore training is offered to complement training offered in-country. The following is a report on progress based on the work plan.

Establish Sector Administration Offices

- ***Improve the performance of the First Undersecretary's staff:*** Key changes were discussed that involved reassigning staff from the First Undersecretary's office to the travel office, managing office supplies, and following up on correspondence. An executive assistant was appointed but has not yet begun her new duties.
- ***Establish a General Department for Administration and Management:*** A head of this GD was appointed at the end of the reporting period and efforts are underway to develop systems for training, payroll, communications (including public relations), manual of procedures, office supplies, travel and transport, etc.¹
- ***Strengthen the IT Department:*** With the arrival of a resident IT expert, IT activities for TAS were re-energized. IT activities in the reporting period consisted of the following:
 - ATR prepared a proposal for reorganizing the IT department, including functional descriptions of newly proposed units, job descriptions for key positions, and qualifications for key personnel. TAS/FTPS has approved the proposal and is proceeding with the implementation of major recommendations.
 - ATR delivered four (4) servers to the IT department to enhance Intranet capabilities in the support of E-mail, website hosting, domain serving, and backup filing. ATR will assist the IT department in configuring these servers and integrating them within the Intranet as needed.
 - ATR procured and successfully deployed 25 computers and basic software for the CD/WTO. These resources were fully integrated with the existing TAS/FTPS intranet.
 - The CD/WTO website has been completed and is fully operational and accessible through the Intranet/Internet. Information from the CD/WTO website will be integrated into the upcoming TAS website.
 - Selected users have completed the pilot testing of the automated workflow solution (AWFS). The system, which includes functionality for trade remedies case tracking and correspondence and filing, will be operational by early 2005.
- ***Strengthen the Sector Technical Office:*** Specific functions were developed for the TAS Technical Office staff that included helping establish administrative and managerial systems in the short-term (specific tasks were assigned to specific staff) and writing analytical memos for the First Undersecretary over the medium to long-term.

Support for CD/WTO

- ***Administrative and Managerial Improvements:*** Following the CD/WTO productivity analysis early in the reporting period, changes got under way at the Sector level but only minimally at the CD/WTO level. However, momentum was starting to build towards the

¹ Though the work plan refers to the General Department for Administration and Management for the Trade Agreements Sector, the GD actually performs the functions for the Foreign Trade Policies Sector as well (thus making better use of Ministry and ATR resources)

end of the reporting period to revisit the CD/WTO structure, job descriptions, and the entire work system.

- **Analysis of WTO Issues:** WTO Members had set a deadline of July 31, 2004 to agree on a framework for negotiating modalities to kick-start the Doha negotiations. ATR supported various CD/WTO groups in going through different proposals to better understand the issues involved. The zero-for-zero car assembly analysis was completed, as was the financial services assessment (a draft transport assessment has still not been finalized because of lack of data and cooperation from the Ministry of Transport).
- **Public awareness:** Three seminars were held with the Federation of Egyptian Industries on Technical Barriers to Trade, Customs Valuation, and Non-Agricultural Market Access (including textiles and apparel).
- **TAS and CD/WTO websites:** The CD/WTO website is now hosted locally and is accessible at <http://www.egypt-wto.gov.eg/>. Several parts of the website are available in Arabic, including a summary of all the WTO agreements. The TAS Website and Intranet Task Force began its work on the TAS website during the reporting period.
- **Advanced Services Training:** To further improve the effectiveness of the CD/WTO services group, a customized training program was held at the WTO Secretariat in Geneva. About 20 of the world's foremost experts on trade in services gave lectures to the CD/WTO group on all aspects of the General Agreement on Trade in Services, including on the ongoing negotiations, and answered all their questions on the topics.
- **Develop Strategy for TAS (mostly CD/WTO) Lawyers:** In addition to having a second TAS (CD/WTO) lawyer complete a three-month dispute settlement internship at White & Case law firm in Geneva, Switzerland, ATR supported TAS in developing a comprehensive strategy to develop TAS's legal capacity to exercise its rights and to comply with its bilateral, regional, and multilateral obligations. In a second phase ATR conducted a skills and training needs assessment workshop for the TAS lawyers. Recommendations are being incorporated in the CD/WTO reorganization and several training activities for the lawyers are being planned for 2005.
- **Trade and Development Seminar for Arab Countries:** ATR supported the CD/WTO in organizing a regional seminar on the WTO in Cairo for Arab countries. In addition to providing logistical support, ATR helped CD/WTO staff prepare a presentation and a paper on Egypt's experience with the WTO.

Support for CD/BMA, CD/ITP, and European Partnership Agreement Unit (EPAU)

- **CD/ITP:** ATR provided follow-on training on conducting subsidies investigations, provided input to the CD/ITP work plan and website, and continued work on the Automated Work Flow Solution.
- **CD/BMA:** Three formal and on-the-job training programs were held specifically for CD/BMA staff on trade data sources and manipulation, the WTO Trade Policy Review Mechanism, drafting country studies, and negotiations (including negotiation simulations).
- **EPAU:** Very little substantive work was done with EPAU. This is in anticipation of the fact that the upcoming EU project will provide significant assistance to the group.

Foreign Trade Policies Sector

During the reporting period, ATR's work with FTPS focused on four areas. First, ATR provided mentoring to FTPS trade policy staff on various issues, including international regulation of garment trade and the development of trade statistics. Second, as part of our work with the Minister's office on the Ministry's work plan, we worked closely with FTPS, as well as TAS, to identify trade policy issues for analysis and change. This resulted in a number of key policy issues being included in the Ministry's work plan and then in the individual sector work plans that were developed later in the year. More specifically, areas such as simplification of the executive regulations to the Import Export Law, time of release monitoring for GOEIC inspection, and utilizing these results to target import export inspections, as well as coordination of food and agriculture inspection by other ministries (ATR ongoing work with the Ministry) were included on the working document for the Ministry work plan..

Third, ATR worked with the sector on two WTO compliance assessments. The TRIMs assessment was completed early in the reporting period and submitted to the Ministry for its review. The assessment found that Egypt was generally in compliance with its obligations under the TRIMs agreement but that Article 6 of the tariff code could be interpreted as being an impermissible domestic content requirement. With the revision of the tariff code this past summer, changes were made that limited the applicability of Article 6 and thus limited any potential violation of the TRIMS agreement. The draft assessment is being modified to reflect this change.

Work was also begun on the SPS assessment during the reporting period. Mr. John Landos supported our work in this area. His consultancy was divided into two parts and only the first part was completed during the reporting period. During the first half of his consultancy, Mr. Landos worked closely with the staff of the Ministry to increase their understanding of SPS issues, particularly in risk assessment and together the staff and Mr. Landos collected a significant amount of information on Egypt's SPS regime. In addition, Mr. Landos provided a two-day training workshop to staff members from the Ministry who work on the WTO SPS Agreement, on domestic regulation formulation in FTPS and in GOEIC. Members from agencies responsible for food and health inspection and in setting standards and technical regulations also participated in the workshop. This workshop was designed to increase understanding of SPS issues and create greater cooperation among the various parties implementing SPS regulations in Egypt. It was very successful in both areas.

Finally, based on our prior recommendation, the Minister of Foreign Trade established the Foreign Trade Policy Committee in April. This committee, led by the Minister of Foreign Trade and Industry and consisting of seven government representatives from Ministries involved in trade and seven representatives of the private sector was given responsibility for reviewing trade policy proposals as well as recommending changes in trade policy. ATR is

working with FTPS to establish the committee and make it operational. A critical institutional development necessary for the operation of the Foreign Trade Policies Committee is the establishment and staffing of the Central Department of Foreign Trade Policies in the sector. This Central Department is to be the primary policy design and analysis group within the Ministry. ATR has committed to provide extensive assistance to the staff of the Central Department in the areas of policy analysis and design.

Egyptian Commercial Service

With the appointment of a new head of ECS in late 2003, ATR began a series of consultations designed to reinitiate our work with this Sector. Significant time was spent during the development of the new project work plan to include a range of specific activities with ECS. This culminated in the development of both work and training plans for ECS that fully incorporate ECS into the ongoing efforts of ATR.

The focus of the work plan is on improving the operation of ECS' overseas offices, both through technical assistance in developing standard procedures and performance criteria for overseas office and through the improvement of headquarters functions in support of overseas activity. For instance, ATR has started an assessment of ECS information needs, current IT infrastructure, and personnel requirements to prepare a proposal to create an IT department. The goal is to develop an entity capable of taking over the responsibilities currently outsourced to an Egyptian company. Once the IT department is created, ATR will define a Technology Transfer initiative to ensure that the to-be-created department will gradually absorb the expertise to support the current IT portfolio of applications and telecommunications infrastructure. Subsequently, ATR will assist ECS in defining its IT strategic plan and will assist in implementing specific IT initiatives based on availability of resources and ATR priorities. ATR is also working with ECS to improve its human resource management and training functions.

Some equipment, primarily in the form of photocopiers was supplied to ECS during the reporting period. Other procurement and IT issues are pending the development of more concrete plans for the implementation of the institutional change within the organization.

Changes in training staff at ECS during the reporting period delayed the implementation of the training plan.

General Organization for Export and Import Control

ATR and GOEIC were engaged in a wide range of activities during the period March to October 2004. A major activity during this period was the development of ATR's work and training plans for GOEIC activities. At the request of GOEIC, ATR's work plan focuses on seven areas. First, ATR will support GOEIC in obtaining international accreditation of microbiology and residual pesticides laboratories. Second, a quality office will be established within the Chairman's office to oversee all quality system developments in GOEIC. Third, faster test methods will be identified and developed. Fourth, better screening systems will be developed to minimize the need for comprehensive testing. Fifth, laboratory management and sample tracking systems will be deployed as pilot systems in Dekheila. Sixth, GOEIC's training function will be strengthened. Finally, the Training Center and the Trade Services Center will be made fully operational.

The development of ATR's training plan for GOEIC took some time to develop as both ATR and GOEIC struggled to ensure that the plan was based on well documented training needs assessments. Working with the new training staff of GOEIC, ATR developed and GOEIC approved a plan that will deliver training to over 850 GOEIC staff members in technical fields, 499 in management, 600 in English, 150 in training for trainers, and 225 in information technology.

Continuing Activities

Before beginning implementation of the new work and training plans, ATR focused on completing some ongoing activity with GOEIC. Work in these areas are discussed below.

Finalizing the Accreditation of the Dekheila Laboratory

During the first half of the period, significant effort was expended to complete the accreditation of various methods at the Dekheila lab in cooperation with the USAID-funded SEAS project. The initial assessment of the lab by the accrediting agency, A2LA, took place in early March and a number of deficiencies were identified. GOEIC and SEAS, with assistance from ATR, then worked together to resolve those deficiencies, ultimately resulting in GOEIC receiving accreditation for 12 methods on September 15, 2004. The certificate can be viewed on A2LA's web site at www.a2la.org/scopepdf/2204-01.pdf.

Baseline Survey on Time Until Release from Ports

Throughout the reporting period, ATR worked with the GOEIC and Market Insight, our market survey subcontractor, to implement the time of release baseline survey. ATR first collected data on all shipments registered with GOEIC in January 2004. Based on these data,

a sampling methodology was developed and used to select 450 specific shipments from seven ports, including Cairo Airport, to be part of our survey. Working with GOEIC, ATR prepared a survey instrument that collected data on the whole clearance process but that collected very detailed information on the relationship between importers and GOEIC. GOEIC then provided contact information for each of the shipments and Market Insight interviewed the importers or their agents. Ultimately, valid data on 282 separate shipments were obtained. As the survey results were not completed until December, only a summary will be presented here. For the entire sample, the shipments took an average of 22.3 days to pass through the port, including 6.6 days before reaching Customs, 12.5 days while under Customs control, and 9.1 days being inspected by GOEIC. The parts add up to more than the whole because the actors sometimes work in parallel.

Technical Assistance on Revenue Generation

ATR also worked with GOEIC to examine options for generating additional revenues that could then be used to support GOEIC operations, particularly for the Dekheila Training Center and the Trade Services Center. Based on discussions with the staff of GOEIC and his own experience, the ATR's consultant recommended a number of ways that GOEIC could offer services to the trading community for compensation.

Implementation of the 2004-2006 Work Plan

After the adoption of the work plan, ATR began implementation with an initial focus on accreditation of the Meat and Poultry lab and the completion of the Training Center and the Trade Services Center.

Accreditation of the Meat and Poultry Laboratory in Dekheila

Working with Dr. Fouad Tahan, ATR has developed a program for the international accreditation of the microbiology methods of the Meat and Poultry Lab in Dekheila. Implementing this plan will require significant procurement of supplies and equipment, which are currently being identified and procured. It is expected that the lab will be accredited sometime in mid-2005. Work on accreditation of residual pesticides methods was delayed until after the reporting period due to the lack of a qualified scientist to lead this effort. However, by year's end, Dr. Salwa Dogheim had agreed to assist GOEIC in this matter and program for accreditation was designed that should lead to accreditation by the end of 2005.

Training Center in Dekheila (GTCD)

ATR completed the training on support and maintenance of the deployed infrastructure during the reporting period and offered training to the staff of the Center in managing and operating the Center. Over the course of the reporting period, ATR installed minor upgrades to the deployed IT hardware. A major focus of ATR's training plan with GOEIC is the training of trainers for the Center in both English and information technology. This activity should be completed in the next reporting period. Most of the technical training courses for GOEIC listed in the training section below were held at the Center.

Trade Service Center (TSC)

Construction work to prepare the space to host the TCS was completed in July 2004 and ATR deployed the hardware, software, and local area network components that had primarily been procured in 2003. The TSC is now fully staffed and ATR's institutional development staff is working to develop the necessary legal and organizational support for the staff of the TSC. Once staff begin operating the call center at the TSC, ATR will start the implementation of the customer relationship management application.

Observational Tours

At the beginning of the reporting period, ATR and USAID supported on observational tour to Singapore and Malaysia by the Chairman of GOEIC and two key assistants. During this tour, the GOEIC officials met with Customs, port, standards, and conformity assessment organizations in those two countries and saw first hand how those countries are able to expedite port clearance while protecting the health and safety of their citizens. At the end of the reporting period, a similar trip was organized to Morocco and Sweden where again, the GOEIC officials were able to see how conformity assessment bodies operate to clear goods quickly.

Other Organizations

Early in the report period, ATR provided support to the newly formed Egyptian Center for Export Development. For instance, the Arab Academy was hired to assist ECED in establishing its internal legal structure. In addition, a study of the options for the development of ECED was prepared by Akrum Bastawi, which was ultimately presented to the new Minister's advisor on export promotion. Some limited logistical support was provided to ECED in the form of two photocopiers. With the appointment of the new Minister and the resignation of the head of ECED, ATR's work in this area has ended, though by the end of the year we were discussing with the new Minister's advisor on export issues how ATR could be of greater assistance to the Ministry in this area.

At the request of the Ministry, ATR provided servers and computers to the Office of the Minister to support its IT functions, in particular the Ministry's email and web services. Furthermore, following IRM's recommendation, ATR delivered a proposal to the Ministry with the framework and approach for implementing an IT Enterprise Architecture. The implementation of this initiative is on hold pending the reestablishment of the central IT department and endorsement by the new Minister.

With the appointment of the new Minister, ATR was asked to provide direct technical support to the Office of the Minister on a number of issues. This included significant support on issues relating to export competitiveness and the QIZ. Moreover, significant staff resources were dedicated to the development of the Ministry's work plan. Staff members from ATR were involved in identifying projects under the 10 focus areas identified by the Minister as comprising the ministry's activities during the year. ATR was also supported our counterpart sectors in contributing to these focus areas. This effort is particularly important to the long-term success of the ATR project as the new Minister is seeking to develop significant programs for trade policy reform that can be supported by the project. ATR provided also to the minister's office as background for work that will assist in producing the framework for an environment-enabling industrial strategy.

Task IV: Training Activities

As one part of ATR's mid-term review in early 2004, concern was expressed that ATR's training programs, while technically sound, were not adequately based on systematic training needs assessments and that their impact on performance of participants were not adequately monitored. In an effort to address these points, ATR hired Hossein Nafici to systematically review ATR's training efforts. Out of his work came suggestions on how to better utilize training needs assessments and post-training evaluation methodologies, as well as suggestions for courses to be offered in ATR's training plan for 2004-2006.

Following Mr. Nafici's consultancy, we sought to implement those methodologies for our new training efforts (and to better evaluate our previous training.) In recognition of the increased work load that this approach creates, ATR hired a second training manager for the project, Ms. Azza Abdel Wahab who had previously been a secretary for the project. She took over responsibility for training for GOEIC while Ms. Dalia Abu Gaber focused her work on FTPS, TAS and ECS. Much of the report period was consumed in the development of the necessary training needs assessments to support our training programs and to ensure that the proper individuals are offered training through our project. Based on these efforts new training plans were developed and implementation of the TAS/FTPS/ECS plan began in September with the GOEIC plan delayed until November. (Prior to that we completed the training already scheduled in our plan for 2003-2004.)

During the reporting period, training was offered to a total of 676 participants, not including Master's degree participants, in 46 programs. These are summarized in the table on the following pages. In addition, ATR sponsored two study tours for the Chairman of GOEIC and his staff to examine how other countries facilitate the entry and exit of traded goods.. The first tour was to Singapore and Malaysia and occurred in early March. Particularly impressive was the TradeNet computer system that allows goods to be cleared in hours in some cases. The second study tour was to Sweden and Morocco and occurred in September. The first dispute settlement internship at the law firm of White and Case in Geneva, which began during the previous reporting period was completed in late March and the second internship was completed from April to June. Finally, ten additional individuals were provided with scholarships for Master's degree programs. Our experience with these programs is discussed further at the end of this section.

Training Courses
March 12 – October 31, 2004

Name of the course	Date		No. of participants	Participating Organization
	From	To		
Technical Courses				
Export Costing and Pricing	15/3/2004	16/3/2004	5	GOEIC
Dispute Settlement Part 2	15/3/2004	18/3/2004	26	ITP
Terms of Payment and Incoterms	24/3/2004	28/3/2004	5	ECS
Adv. WTO Agriculture Agreement	29/3/2004	31/3/2004	9	TAS
Export Risk Management	6/4/2004	8/4/2004	3	ECS
Mass Calibration	15/6/2004	17/6/2004	9	GOEIC
Presentation Skills	19/4/2004	22/4/2004	5	ECS
Uncertainty of Measurements	20/6/2004	21/6/2004	10	GOEIC
Hydrometers Advanced	29/6/2004	1/7/2004	10	GOEIC
Advanced Glassware	13/7/2004	15/7/2004	10	GOEIC
SPSS Agreement Awareness	5/8/2004	7/8/2004	44	TAS/FTPS/GOEIC/Oth
Ovens Calibration	13/9/2004	15/9/2004	10	GOEIC
Analyzing Trade Issues	15/9/2004	30/9/2004	13	TAS
The Practice of Trade Policy: Economics, Negotiations, and Rules	26/9/2004	8/10/2004	5	TAS/FTPS
		Total	164	
Management Courses				
Advance Managerial Skills	17/7/2004	21/7/2004	7	GOEIC
Crisis Management	15/4/2004	17/4/2004	7	GOEIC
		Total	14	
IT Courses				
SQL Server Admin.	1/3/2004	29/3/2004	5	GOEIC
Internet Browsing	4/4/2004	8/4/2004	6	GOEIC
A+Certificate	26/4/2004		3	TAS
Oracle Developer 9i	7/3/2004	9/5/2004	5	GOEIC
Oracle Developer	7/3/2004	9/5/2004	5	GOEIC
TAS Website and Intranet Task Force	12/9/2004		13	TAS
Forms Developer	11/4/2004	2/5/2004	5	GOEIC
Win Server 2003	14/3/2004	22/4/2004	4	GOEIC
Oracle Programming 9i	14/3/2004	2/5/2004	5	GOEIC
MS Win XP	15/2/2004	15/8/2004	1	GOEIC
PL / SQL	15/3/2004	8/4/2004	5	GOEIC
Reports Developer	15/5/2004	6/6/2004	5	GOEIC
Programming MS SQL	19/4/2004	19/5/2004	6	GOEIC
Querying SQL	31/3/2004	7/4/2004	11	GOEIC
		Total	78	

Training Courses (cont'd)
March 12 – October 31, 2004

Name of the course	Date		No. of participants	Participating Organization
	From	To		
English Courses				
Different levels (Arab Academy)	2/10/2004	12/11/2004	32	GOEIC
Effective Report Writing	7/3/2004	11/3/2004	15	ITP/WTO/TO/BMA
Effective Report Writing	21/3/2004	25/3/2004	15	TAS
English for Special Purposes	18/4/2004	22/4/2002	20	TAS
Different levels (Arab Academy)	8/5/2004	17/6/2004	32	GOEIC
General English	24/10/04	28/2/2005	95	ITP/BMA/WTO/TAS
Different levels (Arab Academy)	14/8/2004	25/9/2004	32	GOEIC
Different levels (Arab Academy)	20/3/2004	28/4/2004	32	GOEIC
Different levels (Arab Academy)	24/1/2004	13/3/2004	32	GOEIC
Different levels (Arab Academy)	26/6/2004	8/8/2004	32	GOEIC
Total			337	
Training for Workflow System				
ArabDox Business Users	14/3/2004	15/3/2004	21	ITP/ WTO/TO
ArabDox Admin. Staff	7/3/2004	9/3/2004	8	ITP
Total			29	
Certificate/Degree Courses				
Office Administration Cambridge Diploma	10/5/2004	1/3/2005	13	ITP/WTO/TA
Business Cambridge Diploma	10/5/2004	1/3/2005	14	BMA/ITP
Modern Accounting Certificate	1/8/2004		17	ITP
Translation Diploma	1/9/2004	31/7/2005	10	ITP
Total			54	
Total Participants			676	

In addition, ATR also held six conferences and workshops during the period, as mentioned in the introduction of this report. Funding for the workshops comes from the training budget.

MBA PROGRAM STATUS

Since the program began in 2003, ATR has offered, on a competitive basis, scholarships for graduate study to a limited number of staff of the Ministry. To date, forty individuals have entered the program. Of these people, six have dropped out for various reasons leaving 34

persons in the program. The first students will graduate with their MBAs in the fall of 2005, with the rest completing their programs during the following year.

Over the past few months we have sought to document the benefits received by the Ministry from the Master's degree scholarship program. Asked whether they have begun to feel the impact of their MBA studies on their work, a group of candidates from the CD/WTO mentioned the following as having been the highest benefits of the program:

- Improved overall management skills
- Improved leadership skills
- Improved time management skills
- Improved presentation skills
- Improved analytical skills

Since one of the primary reasons for sponsoring MBA scholarships was to develop middle-management capabilities in counterpart organizations, one indication of the impact of the MBA program is the extent to which MBA scholarship recipients from the CD/WTO have been promoted to middle-management positions in a recent restructuring of the central department. Of the 15 middle-management positions created, eight were assigned to MBA scholarship recipients (including two of the four general managers). This fact was cited by the First Undersecretary of TAS as the best sign that the MBA program has been successful.

ATR has also been tracking the performance of MBA candidates both in and outside the classroom. In our day-to-day interaction with the candidates, we have observed gradual but definite improvements in the officials' confidence level, the way they interact with their colleagues and supervisors, their time-management skills, and their sense of responsibility. Three MBA candidates made lengthy and confident presentations (which they prepared using PowerPoint, a skill that they learned as part of their MBA training) at Federation of Egyptian Industry's public awareness events and answered questions from the private sector. None had ever made public presentations of that magnitude before. Several other candidates are making presentations at the High National Committee meetings. Because their jobs with the Ministry were for many the first jobs of their careers, the candidates also learned from interacting with other professionals and acquired a wider perspective on the economy and their role within it.

In addition, the staff that raise new ideas on how to do their jobs more effectively and "thinking outside the box" are invariably MBA candidates. Moreover, those officials have become genuine partners with ATR staff in pushing and advocating for change (for example, in pushing for more public awareness, having work plans, having performance appraisal systems, etc.). Perhaps more importantly, several have gradually started questioning (with a degree of subtlety) management practices, which is a good sign for the future of their organization and of their careers.

Though one of the early fears in sponsoring MBA scholarships was that officials would leave the Ministry upon graduation, scholarship recipients are more often talking about how to make change happen at the Ministry and how to be more effective public servants than about

eventually going to the private sector.² As ATR actively promotes administrative and managerial changes at the Ministry, we will be able to count on the MBA graduates to be part of and to sustain the change.

² They have also signed letters of commitment to continue working at the Ministry for three years following graduation.